



## DEPARTMENT OF HUMAN SERVICES

Division of Long Term Services & Supports  
Hillsview Plaza, 3800 East Highway 34  
c/o 500 East Capitol Avenue  
Pierre, SD 57501

**PHONE:** 605-773-3656 or  
1-866-854-5465

**FAX:** 605-773-4085

**WEB:** [dhs.sd.gov](http://dhs.sd.gov)

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### **Add-On Payment Information Requirements for Individuals Requiring Total Parenteral Nutrition (TPN)**

When Medicaid is the primary payor for a resident of a South Dakota nursing home, the facility may request an additional add-on payment above and beyond the normal nursing facility reimbursement for those individuals needing extraordinary care which is not addressed in the normal reimbursement methodology. Medicaid reimbursement for services provided to a recipient residing in state shall be the per diem rate plus a negotiated rate to cover additional extraordinary treatment.

The Department will negotiate with providers on a case-by-case basis to determine the negotiated rate for recipients requiring extraordinary care. Providers are responsible for notifying the Department of significant changes in an individual's condition. A new rate may be negotiated when this change occurs.

The add-on payment will be negotiated on an individual basis between the Department of Human Services and the provider. The negotiated rate shall be an all-inclusive reimbursement rate for all services and supplies furnished by the facility in the care and treatment of the recipient, except as otherwise agreed by the Department. The negotiated rate may not exceed the actual cost of the services provided to the recipient.

Total Parenteral Nutrition therapy must be prior authorized by the Department and the following criteria must be met:

- The individual must meet the criteria for South Dakota Medicaid;
- The individual must meet the criteria for nursing facility level of care;
- The individual has a permanently inoperative internal body organ or body function such as severe pathology of the alimentary tract which does not allow absorption of sufficient nutrients to maintain weight and strength commensurate with the individual's general condition;
- There is a physician's order or prescription for the therapy and medical documentation describing the diagnosis and the medical necessity for the therapy; and
- The therapy is the only means the individual has to receive nutrition.

For consideration of the add-on payment, the following information must be submitted to the Department of Human Services' Division of Long Term Services and Supports (LTSS). Contact Michelle Hudecek RN, LTSS Nurse Consultant Program Manager by phone at 773-3656 or email [Michelle.Hudecek@state.sd.us](mailto:Michelle.Hudecek@state.sd.us) if you have any questions on the process.

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1. Name of Resident \_\_\_\_\_
2. Resident's South Dakota Medicaid Number: \_\_\_\_\_
3. Provider's South Dakota Medicaid Number: \_\_\_\_\_
4. Provider Contact Name & Phone # for Clinical Information: \_\_\_\_\_
5. Information to submit includes:
  - Signed physicians order for the Total Parenteral Nutrition (TPN).
  - Physician documentation describing the diagnosis and the medical necessity for the TPN which includes documentation from the physician that supports TPN as the only means the individual has to receive nutrition.
  - Copy of recent physician progress note or reports. Physician progress notes must be submitted prior to services and then at a minimum every 60 days.
  - Recent history and physical.
  - Copy of applicable lab and x-ray reports.
  - Copy of nurse's documentation that indicates the TPN is being administered and monitored. This documentation will need to be submitted each month and before continued authorization for services can be made.
  - Copy of the nurse's documentation that indicates the exact date the TPN was started.
  - Copy of nutrition assessment.
  - Copy of treatment plans or care plans that are in place for nutrition and TPN.
  - Copy of the nurse's documentation that indicates the exact date the TPN is discontinued.
  - A copy of the costs for the total parenteral nutrition machine and supplies is needed to determine the daily rate. If utilizing a vendor a copy of the vendor invoices must be included.

Once the above information is received, the Department of Human Services will review the medical information to determine if the criteria are met. If the criteria have been met, the Department of Human Services' Office of Budget and Finance will calculate an additional payment rate based on the specific costs of the extraordinary treatment to be provided.

A contract will be required with the facility before authorization of individualized services can be arranged. The contract will be prepared and routed for signature including the agreement to provide specialized services as authorized. Once approval is determined, the rate has been set and a contract has been signed by both parties, a document will be provided to the facility and to the Department of Human Services' Office of Budget and Finance authorizing additional payment for the specified services, to include a period of authorization and the review date.